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7 August 1985

MEMORANDUM FOR THE RECORD

SUBJECT: Computer Runs Required by Ed Hustead

The attached listing of computer runs was provided by

Ed Hustead on this date. He asked that we get a copy to the

people who operate our computers. He will then discuss this with

the Treasury actuaries who inturn will provide instructions to

our computer referent, who at this time is of

OIT, A copy of the listing was hand

carried to Winnie by the undersigned. Winnie stated she would be

awaiting a call from the Treasury actuaries.

STAT

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cc: DD/Pers/EBS
ADD/Pers/EBS

Computer Runs for Review of Retirement Plan Effect

I.Current runs

Full set of three runs on each of three economic assumptions and CIARDS basic demographic assumptions. The population base is the current CIARDS participants counted from entry into CIARDS. A set includes:

Normal cost

Unfunded liability

Projection of fund

II.Needed runs

All entrants, at agency EOD, on full dynamic and static sets using both CSRS-basic and CIARDS-adjusted actuarial assumptions and using CSRS and CIARDS benefits structure. After current system runs, it will be useful to run some of the variations being suggested by Congress and by the Agency. The following list of sets(3 in each set) will be needed initially:

All entrants from agency EoD using CSRS-basic assumptions and CSRS benefits, and static assumptions.

All entrants from Agency EoD using CIARDS-basic assumptions and CIARDS benefits and static assumptions.

All entrants from agency EoD using CSRS-basic assumptions and CSRS benefits, and dynamic assumptions.

All entrants from Agency EoD using CIARDS-basic assumptions and CIARDS benefits and dynamic assumptions.

III. Economic assumptions

	Static	Partial Dynamic	Full Dynamic
Interest	6.0%	6.0%	6.0%
Inflation	0.0%	0.0%	5.0%
GS growth	0.0%	5.0%	5.0%

Note: These sets differ from the social security base used by the Congressional Research Service. Runs on this basis are not needed now may eventually be neccessary. The set is 4% inflation; 5.5% salary and 6.1% interest.

ALTRUN (85-33)

as of 08/06/85

IV. Demographic Assumptions

A.CIARDS basic

Set as developed by Treasury actuaries

B.CSRS basic

Modified CSRS Board of Actuaries assumptions

C.CIARDS adjusted

CIARDS set adjusted for entry at agency EOD

